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## Washington State Liquor Control Board

Olympia, Washington 98504

May 10, 1973

Bulletin No. 108

TO: ALL WINE SUPPLIERS AND WINE WHOLESALERS

SUBJECT: CHANGES IN WINE PRICE SCHEDULES FILED WITH THE BOARD AS A RESULT OF THE CHANGES IN THE WASHINGTON WINE GALLONAGE TAX

Under the provisions of R.C.W. 66.24.210, as recently amended by the 43rd Session of the Washington State Legislature, effective July 1, 1973 there will be "imposed upon all wines sold to wine wholesalers and the Washington State Liquor Control Board within the state, a tax of seventy-five cents per wine gallon..." The responsibility for payment of this tax will now rest with the wine wholesaler purchasing such wine as opposed to the method presently in effect of collecting the gallonage tax from the Wine Certificate of Approval holder. As a result of this change, it will be necessary for most of the wine suppliers having price schedules on file with the Board to change these filings to either delete the wine gallonage tax which had previously been included in the selling price, or to include the tax at the higher rate.

The following will be the changes necessary as applicable to the various classes of licenses held by wine suppliers:

1. DOMESTIC WINERY (Washington State Winery) filing prices to Washington licensed wholesalers.

AND

WINE CERTIFICATE OF APPROVAL (U.S. Winery located outside of the state of Washington) filing prices to Washington state licensed importers.

The schedules presently in effect posted by the above named suppliers include in the selling price the gallonage tax at the current rate of ten cents per gallon. This tax will no longer be applicable at this point of sale effective July 1, 1973. If the above suppliers wish to amend their selling prices to reflect the changes resulting from the removal of this tax, it will be necessary to submit a new schedule to the Board by May 25, 1973 for an effective date of July 1, 1973.

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PLAINTIFF'S EXHIBIT	
CASE NO.	CV04-0360P
EXHIBIT NO.	048

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In the event the supplier elects to have their selling prices on this schedule remain unchanged, it will be necessary to file a letter with the Board stating that said schedule as of July 1st will no longer include the gallonage tax in the selling price and that in effect the supplier will be realizing an increase in selling price with the exclusion of the tax.

II. WINE CERTIFICATE OF APPROVAL (Washington licensed importer of foreign wine) filing prices to Washington licensed Wholesalers

AND

WASHINGTON STATE LICENSED WHOLESALER filing prices to another licensed wholesaler

Effective July 1, 1973, Wine Certificate of Approval holders who also hold a Wine Wholesalers license, and all Wine Wholesalers will report to the Board all purchases of wine on which the gallonage tax has not been paid and will be responsible for the payment of said tax at the rate of seventy-five cents per gallon. (ie: the gallonage tax will be paid by the first Washington licensed wine wholesaler purchasing said wine) Therefore, the prices filed for sale to other wholesalers must include the gallonage tax at the higher rate as of July 1st. Schedules reflecting the increase in selling prices must be filed with the Board by May 25, 1973 for an effective date of July 1, 1973.

III. WINE CERTIFICATE OF APPROVAL (Washington licensed importer of foreign wine) filing his laid-in cost of foreign wines.

Certificate of Approval holders filing laid-in costs of foreign wines should include as part of their cost the gallonage tax which they have paid on all wine purchased. It will be necessary to submit new laid-in cost schedules reflecting the change in the tax from ten cents to seventy-five cents per gallon. These amended schedules should be filed with the Board by May 25, 1973.

IV. WINE WHOLESALER filing prices to retail licensees.

The current SCHEDULE OF DELIVERED WINE WHOLESALE PRICES TO RETAIL LICENSEES filed by wholesalers includes in the selling price the gallonage tax. Therefore, it will be necessary for all wholesalers to file with the Board amended schedules reflecting the increased selling price resulting from the new gallonage tax rate. Such amended schedules must be filed by June 15, 1973 for an effective date of July 1, 1973.

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All filings submitted under the above requirements shall be submitted on forms presently in use even though the instructions on the back which pertain to the gallonage tax will not be applicable as of July 1st. Revised forms for future filings will be made available as soon as possible..

We would like to call your attention to the fact that nothing in the regulations prohibits the filing of schedules with the Board prior to the regulatory filing dates. Due to the large volume of new postings required, we encourage you to file as soon as possible. The effective dates will remain the same, but early filings will aid us in coping with the temporary increase in work load during the months of May and June.

If you have any further questions regarding the revisions necessary in price filings resulting from the gallonage tax changes, please contact the Beer & Wine Division in Olympia.

*Bob Hilson*

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Beer and Wine Division

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